



State of Delaware
Public Service Commission
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MEMORANDUM

TO: The Chairman and Members of the Commission

FROM: Renay L. Edge, Public Utilities Analyst

DATE: October 21, 2019

SUBJECT: IN THE MATTER OF THE APPLICATION OF ARTESIAN WASTEWATER MANAGEMENT, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER SERVICES PURSUANT TO 26 DEL. C. § 203D ("PARK25.00, SHINGLEPT1.00, SHINGLEPT32.04, SHINGLEPT49.00")
(FILED SEPTEMBER 20, 2019) - PSC DOCKET NO. 19-0609

On September 20, 2019, Artesian Wastewater Management, Inc. ("AWMI" or the "Company") filed an application (the "Application") with the Delaware Public Service Commission (the "Commission") pursuant to 26 *Del. C.* § 203D(d)(2) seeking a Certificate of Public Convenience and Necessity ("CPCN") to provide wastewater services to four parcels of land in Sussex County, Delaware, identified as Tax Map Parcel Nos. 135-16.00-25.00, 235-29.00-1.00, 135-11.00-32.04 and 135-11.00-49.00 (the "Proposed Service Area").

As required under 26 *Del. C.* § 203D and the Commission's *Regulations Governing Certificates of Public Convenience and Necessity to Provide Wastewater Services*, 26 *Del. Admin. C.* § 6001 (the "Regulations"), AWMI included the following documentation in its Application: (1) copies of petitions requesting wastewater services signed by all landowners of record of each parcel or property encompassed within the Proposed Service Area; (2) copies of the United States Postal Service forms verifying that the Company sent, via certified mail, a Commission-approved notice to all landowners of record of each parcel included in the Proposed Service Area; (3) a list of the County tax map parcel identification numbers of the properties and identification of all landowners of record included in the Proposed Service Area; (4) a copy of the associated map clearly marking the Proposed Service Area; and (5) a copy of the letter from Sussex County stating

no objection to the Application.¹ Staff found no errors or omissions during its review of the Application.

As required by the Regulations, AWMi provided copies of the Application to the Division of Water Resources of the Department of Natural Resources and Environmental Control ("DNREC"), the Delaware Office of State Planning Coordination ("OSP"), and the Sussex County Engineering Department (the "County"). In addition, Staff requested written comments from DNREC, OSP and the County regarding the Proposed Service Area.

DNREC did not provide a response.

The County received and reviewed the CPCN application and noted that the parcels are in the Tier 3 Coordinated CPCN Areas per the Sussex County Sewer Tier Map, requiring approval from Sussex County prior to a CPCN application. The County indicated that it does not object to AWMi's CPCN application for the proposed service area.

OSP responded that it has no outstanding issues with AWMi regarding its service. OSP also noted, however, that the Proposed Service Area is located within an Investment Level 4 area, which means that state investments in this area will only be made to support agricultural preservation, natural resource protection, and the continuation of the rural nature of this area. OSP emphasized in its response that the state does not support new development activities and suburban development in Investment Level 4 areas. OSP stated that the CPCN applicant should be aware that the state has no intention to invest in infrastructure upgrades or additional services for this area unless necessary for the health, safety, and welfare of the existing residents.

In conclusion, AWMi's Application complies with statutory and regulatory requirements of 26 *Del. C.* § 203D and 26 *Del. Admin. C.* § 6001. Therefore, consistent with statutory requirements, Staff recommends the Commission approve the Application.

¹As required by the Regulations, an applicant that proposes to extend services into the service territory of a municipality, government agency or wastewater authority must provide written documentation that such entity has been informed of and has approved the applicant's proposed expansion. See 26 *Del. Admin. C.* § 6001-3.4.

Artesian Wastewater Mangement, Inc.

Docket No. 19-0609 "PARK25.00, SHINGLEPT1.00, SHINGLEPT32.04, SHINGLEPT49.00"

November 5, 2019

